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HAYNES BEFFEL & WOLFELD LLP  
P O BOX 366  
HALF MOON BAY, CA 94019

EXAMINER
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COLBERT, ELLA

ART UNIT	PAPER NUMBER
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3624

DATE MAILED: 10/06/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

## Office Action Summary

Application No.

09/706,370

Applicant(s)

MIZRAH, LEN L. *SL*

Examiner

Ella Colbert

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 03 November 2000.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-55 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-55 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 20 June 2003 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- ☒ Notice of References Cited (PTO-892)
- ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_.
- ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_.
- ☐ Notice of Informal Patent Application (PTO-152)
- ☐ Other: \_\_\_\_\_.

### **DETAILED ACTION**

1. Claims 1-55 are pending in this communication filed 11/03/00.
2. The IDS filed 01/25/02 has been entered as paper no. 4, the IDS filed 1/21/03 has been entered as paper no. 5, the IDS filed 05/08/03 has been entered as paper no. 6, and the Second IDS filed 04/05/04 has been entered as paper no. 8.
3. The Formal Drawing filed 06/20/03 has been entered as paper no. 7 and is acknowledged.

### ***Specification***

4. The abstract of the disclosure is objected to because the Abstract contains over 150 words in length. Correction is required. See MPEP § 608.01(b).

### **Content of Specification**

- (j) Abstract of the Disclosure: See MPEP § 608.01(f). A brief narrative of the disclosure as a whole in a single paragraph of 150 words or less commencing on a separate sheet following the claims. In an international application which has entered the national stage (37 CFR 1.491(b)), the applicant need not submit an abstract commencing on a separate sheet if an abstract was published with the international application under PCT Article 21. The abstract that appears on the cover page of the pamphlet published by the International Bureau (IB) of the World Intellectual Property Organization (WIPO) is the abstract that will be used by the USPTO. See MPEP § 1893.03(e).

### ***Claim Rejections - 35 USC § 101***

5. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

6. Claims 1-11 and claims 45-55 are rejected under 35 U.S.C. 101 as non-statutory.

The method claims as presented so not claim a technological basis in the body of the

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claim. Without a claimed basis, the claim may be interpreted in an alternative as involving no more than a manipulation of an abstract idea and therefore non-statutory under 35 U.S.C. 101. In contrast, a method claim that includes in the body of the claim at least one structural/functional interrelationship which can only be computer implemented is considered to have a technological basis [See Ex parte Bowman, 61 USPQ2d 1669, 1671 (Bd. Pat. App. & Inter. 2001) – used only for content and reasoning since not precedential]. Suggestion: 1. A computer implemented method for managing financial transactions, comprising: performing at the computer an authentication process for a predicted transaction by a particular account ...”. Claim 12. A computer implemented method for managing financial transactions, comprising:”. Claim 45 has a similar problem as claim 1.

***Claim Rejections - 35 USC § 103***

7. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

8. Claims 12-15, 22-26, and 34-37 are rejected under 35 U.S.C. 103(a) as being unpatentable over (US 6,098,053) Slater in view of (US 5,991,750) Watson.

As per claims 12 and 34, Slater teaches, A method for managing financial transactions, comprising: executing an authentication process over communication media for a predicted transaction by a particular account holder, including receiving a predicted transaction amount at an authentication time, the authentication process

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producing a transaction signature for presentation upon execution of the predicted transaction, communicating the transaction signature to the particular account holder, and storing the transaction signature and parameters associated with the particular transaction (col. 1, lines 55-67, col. 2, lines 19-31, and col. 4, lines 31-65)); executing an authorization process over communication media for a particular transaction having actual transaction amount and an actual transaction time , including receiving the transaction signature over communication media from a party to the particular transaction at an authorization time, verifying that the received transaction signature matches the transaction signature stored for the predicted transaction, the actual transaction amount matches the predicted transaction amount and the authorization time meets a time criterion (col. 5, lines 2-25).

Slater failed to teach, executing an accounting process for the particular transaction as a result of a successful authorization process, including reconciling the predicted transaction amount and the actual transaction amount for the particular account holder. Watson teaches, executing an accounting process for the particular transaction as a result of a successful authorization process, including reconciling the predicted transaction amount and the actual transaction amount for the particular account holder (col. 8, lines 31-64). It would have been obvious to one having ordinary skill in the art at the time the invention was made to have an accounting process for the particular transaction as a result of a successful authorization process, including reconciling the predicted transaction amount and the actual transaction amount for the particular account holder. Watson teaches, executing an accounting process for the

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particular transaction as a result of a successful authorization process, including reconciling the predicted transaction amount and the actual transaction amount for the particular account holder and to modify in Slater because such a modification would allow Slater to a transaction system where a billing account allows for reconciliation for accounting entries.

As per claims 13 and 24, Slater failed to teach, The method of claim 12, including: storing the transaction signature and the parameters associated with the predicted transaction in a database. Watson teaches, including: storing the transaction signature and the parameters associated with the predicted transaction in a database (col. 10, lines 35-57 and col. 11, lines 37-49). It would have been obvious to one having ordinary skill in the art at the time the invention was made to include storing the transaction signature and the parameters associated with the predicted transaction in a database and to modify in Slater because such a modification would allow Slater to have a collection of data stored on a computer storage medium that can be used for more than one purpose.

As per claims 14, 25, and 36, Slater failed to teach, The method of claim 13, including storing a parameter indicating acceptable transaction times in the database. Watson teaches, including storing a parameter indicating acceptable transaction times in the database (col. 11, line 58-col. 12, line 15). It would have been obvious to one having ordinary skill in the art at the time the invention was made to include a storing parameter indicating acceptable transaction times in the database and to modify in

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Slater because such a modification would allow Slater to have the parameters to conform to the transaction and the database space.

As per claims 15, 26, and 37, Slater teaches, The method of claim 12, including setting up a time out interval between the authentication time and the authorization time (col. 10, lines 32-49 and lines 59-67).

9. Claims 16-23, 27-33, and 35-44 are rejected under 35 U.S.C. 103(a) as being unpatentable over Slater and Watson in view of (US 6,178,409) Weber et al, hereafter Weber.

As per claims 16, 17, and 38, Slater and Watson failed to teach, The method of claim 12, wherein the authentication process includes: establishing a private communication session between the particular account holder and a financial transaction server; at the server, accepting an account number and an identification number for the particular account holder; at the server, accepting the predicted transaction amount; at the server, producing the transaction signature and sending the transaction signature to the particular account holder; and entering identifying information for the predicted transaction in a memory at the server. Weber teaches, wherein the authentication process includes: establishing a private communication session between the particular account holder and a financial transaction server (col. 14, lines 12-15 and lines 58-67 and col. 15, lines 1-10); at the server, accepting an account number and an identification number for the particular account holder (col. 15, line 63-col. 16, line 12); at the server, accepting the predicted transaction amount (col. 24, lines 7-56, Fig. 1, Fig. 7B, and Fig. 15A); at the server, producing the transaction

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signature and sending the transaction signature to the particular account holder; and entering identifying information for the predicted transaction in a memory at the server (col. 42, line 30 –col. 47, line 41, col. 64, lines 30-57, Fig. 1A, Fig 15B, and Fig. 17). It would have been obvious to one having ordinary skill in the art at the time the invention was made to establish a private communication session between the particular account holder and a financial transaction server; at the server, accepting an account number and an identification number for the particular account holder; at the server, accepting the predicted transaction amount; at the server, producing the transaction signature and sending the transaction signature to the particular account holder; and entering identifying information for the predicted transaction in a memory at the server and to modify in Slater because such a modification would allow Slater to have a private communication session that can be performed over the Internet between the account holder and a server used for financial transactions.

As per claims 17, 28, and 39, Slater teaches, The method of claim 16, wherein the authentication process includes prompting the particular account holder to supply a combination of digits from a personal identification code, wherein the combination does not include all of the personal identification code (col. 1, lines 16-40).

As per claims 18, 29, and 40, Slater and Watson failed to teach, The method of claim 12, wherein the authorization process includes: establishing a private communication session between a party to the particular transaction and a financial transaction server; at the server, accepting the presented transaction signature and the actual transaction amount; at the server, determining whether the authorization time



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falls within an acceptable time window, and comparing the presented transaction signature and actual transaction amount with the predicted transaction amount associated with the transaction signature for the predicted transaction; and at the server, sending an authorization message to the party. Weber teaches, wherein the authorization process includes: establishing a private communication session between a party to the particular transaction and a financial transaction server; at the server, accepting the presented transaction signature and the actual transaction amount; at the server, determining whether the authorization time falls within an acceptable time window, and comparing the presented transaction signature and actual transaction amount with the predicted transaction amount associated with the transaction signature for the predicted transaction; and at the server, sending an authorization message to the party (col. 14, lines 12-15 and lines 58-67, col. 15, lines 1-10, col. 64-lines 30-41, col. 65, lines 27-46, col. 66, line 36 –col. 67, line 39, and col. 103, line 36- col. 105, line 32). It would have been obvious to one having ordinary skill in the art at the time the invention was made to establish a private communication session between a party to the particular transaction and a financial transaction server; at the server, accepting the presented transaction signature and the actual transaction amount; at the server, determining whether the authorization time falls within an acceptable time window, and comparing the presented transaction signature and actual transaction amount with the predicted transaction amount associated with the transaction signature for the predicted transaction; and at the server, sending an authorization message to the party and to modify in Slater because such a modification would allow Slater to have a private

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communication session that can be performed over the Internet between the account holder and a server used for financial transactions.

As per claims 19, 30, and 41, Slater and Watson failed to teach, The method of claim 18, including accepting identification of the party at the server. Weber teaches, accepting identification of the party at the server (col. 105, line 38- col. 106, line 56). It would have been obvious to one having ordinary skill in the art at the time the invention was made to accept identification of the party at the server and to modify in Slater because such a modification would allow Slater to have a cryptographic component at the server that includes signature and key generation.

As per claims 20, 31, and 42, Slater teaches, The method of claim 18, wherein the authorization process operates without identification of the particular account holder to the party (col. 5, line 40-col. 6, line 12).

As per claims 21, 32, and 43, Slater teaches, The method of claim 18, wherein the authorization process operates with identification of the particular account holder to the party (col. 6, lines 13-33).

As per claims 22, 33, and 44, Slater and Watson failed to teach, The method of claim 12, wherein the authentication process includes: establishing a communication session between the particular account holder and a financial transaction server; accepting an account number as input. Weber teaches, wherein the authentication process includes: establishing a communication session between the particular account holder and a financial transaction server; accepting an account number as input (col. 14, lines 12-15 and lines 58-67 and col. 15, lines 1-10). It would have been obvious to

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one having ordinary skill in the art at the time the invention was made to have the authentication process include establishing a communication session between the particular account holder and a financial transaction server; accepting an account number as input and to modify in Slater because such a modification would allow Slater to enable the customer computer to authenticate the identity of the merchant computer system after transmission of a server certificate.

Slater teaches, prompting the particular account holder to supply a static identification number and a dynamically identified combination of digits from a personal identification code, wherein the combination does not include all of the personal identification code (col. 7, lines 41-65); accepting the predicted transaction amount as input (col. 7, line 66-col. 8, line 16); producing the transaction signature and sending the transaction signature to the particular account holder (col. 8, lines 16-51); and entering identifying information for the predicted transaction in a memory (col. 7, lines 41-52 and Fig. 3).

As per claim 23, Slater and Watson failed to teach, A financial transaction server, comprising: a communication interface; a data processing system coupled to the communication interface, the data processing system including resources for managing financial transactions, including an authentication process communicating over the communication interface for authenticating predicted transaction by a particular account holder, including routines which handle receiving a predicted transaction amount at an authentication time, producing a transaction signature for presentation upon execution of the predicted transaction, communicating the transaction signature to the particular account holder, and storing the transaction signature and parameters associated with

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the particular transaction; an authorization process communicating over the communication interface for authorizing a particular transaction having actual transaction amount and an actual transaction time, including routines for handling receiving the transaction signature over the communication interface from a party to the particular transaction at an authorization time, verifying that the received transaction signature matches the transaction signature stored for the predicted transaction, that the actual transaction amount matches the predicted transaction amount and that the authorization time meets a time criterion.

Weber teaches, an authentication process communicating over the communication interface for authenticating predicted transaction by a particular account holder, including routines which handle receiving a predicted transaction amount at an authentication time, producing a transaction signature for presentation upon execution of the predicted transaction, communicating the transaction signature to the particular account holder and storing the transaction signature and parameters associated with the particular transaction; an authorization process communicating over the communication interface for authorizing a particular transaction having actual transaction amount and an actual transaction time, including routines for handling receiving the transaction signature over the communication interface from a party to the particular transaction at an authorization time, verifying that the received transaction signature matches the transaction signature stored for the predicted transaction, that the actual transaction amount matches the predicted transaction amount and that the authorization time meets a time criterion (col. 6, line 49-col. 7, line 17, col. 2, lines 37-

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55, col. 3, lines 46-67, col. 6, lines 49-67). It would have been obvious to one having ordinary skill in the art at the time the invention was made to have an authentication process communicating over the communication interface for authenticating predicted transaction by a particular account holder, including routines which handle receiving a predicted transaction amount at an authentication time, producing a transaction signature for presentation upon execution of the predicted transaction, communicating the transaction signature to the particular account holder and storing the transaction signature and parameters associated with the particular transaction; an authorization process communicating over the communication interface for authorizing a particular transaction having actual transaction amount and an actual transaction time, including routines for handling receiving the transaction signature over the communication interface from a party to the particular transaction at an authorization time, verifying that the received transaction signature matches the transaction signature stored for the predicted transaction, that the actual transaction amount matches the predicted transaction amount and that the authorization time meets a time criterion and to modify in Slater because such a modification would allow Slater to have an interface interconnected to the system for communicating with a connected network (e.g., a data processing network).

Slater failed to teach, an accounting process executed for the particular transaction as a result of a successful authorization process, including routines reconciling the predicted transaction amount and the predicted transaction amount and the actual transaction amount for the particular account holder. Watson teaches, an

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accounting process executed for the particular transaction as a result of a successful authorization process, including routines reconciling the predicted transaction amount and the predicted transaction amount and the actual transaction amount for the particular account holder (col. 4, lines 19-45). It would have been obvious to one having ordinary skill in the art at the time the invention was made to have an accounting process executed for the particular transaction as a result of a successful authorization process, including routines reconciling the predicted transaction amount and the predicted transaction amount and the actual transaction amount for the particular account holder and to modify in Slater because such a modification would allow Slater to have a system for an account establishment and an account process in an establishment of an account step.

As per claim 35, Slater, Watson, and Weber failed to teach, The article of claim 34, wherein the resources include a routine for storing the transaction signature and the parameters associated with the predicted transaction in a local or remote database, but it would have been obvious to one having ordinary skill in the art at the time the invention was made to have the resources have a routine for storing the transaction signature and the parameters associated with the predicted transaction in a local or remote database and to modify in Slater in view of his authentication of a digital signature, Watson's pre-authorization parameters, and Weber's secure communication session and because such a modification would allow Slater, Watson, and Weber to have the capability to store the signature in a computer storage medium for later use.

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**Conclusion**

9. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

Joao et al (US 6,047,270) disclosed financial account security.

**Inquiries**

10. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Ella Colbert whose telephone number is 703-308-7064. The examiner can normally be reached on Monday-Thursday.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached on 703-308-1038. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



E. Colbert  
September 30, 2004